

A weekly update of energy prices and issues to help leaders assess energy trends throughout the year.

Media Excerpts: A snapshot of state and national energy issues*

Energy Awareness Conference
Louisville, KY – Sept. 20, 2006

National Renewable Energy Conference
St. Louis, MO – Oct. 10-12, 2006

Bluegrass Energy & Green Living Expo
Lexington, KY – Oct. 14-15, 2006

Residential Green Building Seminar
Lexington, KY - October 13, 2006

Building Commissioning Association
Indianapolis – Sept. 20, 2006

Kentucky Office of Energy Policy hosts an Energy Summit. The Office of Energy Policy is hosting an energy summit entitled Unbridled Energy: The Industrialization of Kentucky's Energy Resources-Leading the Way to Energy Independence at the Kentucky International Convention Center in Louisville on October 20, 2006. Don't miss this opportunity to hear from leading authorities in government and industry. ("Kentucky Office of Energy Policy hosts an Energy Summit," *KOEP web site*, 9-7-06)

Paducah seeks nuclear-recycling grant. Paducah is vying for one of four \$5 million federal grants to study building a recycling plant for spent nuclear fuel, a project officials call one of the biggest in 50 years. The U.S. Department of Energy is awarding the grants to study whether temporary storage and a demonstration project for recycling spent nuclear fuel rods can be built. Paducah officials hope the area's long history with the Paducah Gaseous Diffusion Plant, which enriches uranium for commercial use, helps the area's bid. ("Paducah seeks nuclear-recycling grant," *Courier Journal*, 9-5-06)

Man travels from Florida to Ashland on used cooking oil. Believe it or not, the fact that John Yasenka traveled from Clearwater, Fla., to Ashland for the grand opening of a fast-food restaurant isn't nearly as unusual as the fuel he uses to power the car that he drove here. The 45-year-old retired truck driver made the journey in a vehicle that has been retrofitted to run on used cooking oil. Yasewnka's 1987 Mercedes-Benz, which has a diesel engine, is the second vegetable oil-powered car he has owned. He said he became interested in the concept after reading about it on a Web site, VeggieVan.org. Yasenka, who says he has traveled more than 20,000 miles on veggie power, said he decided to start fueling his vehicle with cooking oil primarily for environmental reasons. He said his car produces zero greenhouse gases, which many scientists cite as the primary cause of global warming. "I'm helping to save the world, one tankful at a time," he said. ("Man travels from Florida to Ashland on used cooking oil," *The Ashland Daily Independent*, 9-5-06)

Assistant Secretary of Energy highlights clean coal technologies to sustain America's economic growth. U.S. Department of Energy (DOE) Assistant Secretary for Fossil Energy Jeffrey Jarrett today joined Rep. Tim Murphy (PA-18th) for an energy conference, *Coal: The Jewel of Pennsylvania*, at Carnegie Mellon University, to highlight the importance of clean coal technology and tout America's robust economy. Assistant Secretary Jarrett discussed President Bush's commitment to invest \$2-billion in clean coal technologies over 10 years, and the construction of the world's largest clean coal power plant that will produce virtually no emissions through the FutureGen Initiative. Clean coal is a key element of President Bush's Advanced Energy Initiative, which seeks to invest in the development of clean and reliable energy technologies to reduce dependence on foreign energy sources. ("Assistant Secretary of Energy highlights clean coal technologies to sustain America's economic growth," *U.S. Department of Energy*, 9-1-06)

U.S. oil reserves get a big boost. Chevron-Led Team Discovers Billions of Barrels in Gulf of Mexico's Deep Water. An oil discovery by Chevron Corp. has bolstered prospects that petroleum companies will be able to tap giant reserves that lie far beneath the deep waters of the Gulf of Mexico. Oil analysts and company executives said newly released test results from a well 175 miles off the coast of Louisiana indicate that the oil industry will be able to recover well more than 3 billion barrels, and perhaps as much as 15 billion barrels, of oil from a geological area known as the lower tertiary trend, making it the biggest addition to U.S. petroleum reserves in decades. The upper end of the estimate could boost U.S. reserves by 50 percent. ("U.S. oil reserves get a big boost," *Washington Post*, 9-6-06)

Oil touches 5-month low. Crude prices remain below \$68 a barrel near lowest trading level since April, but pare losses as traders await fresh inventory report. Oil prices slipped to their lowest level in five months before recovering slightly Thursday as dealers took a pause from a three-day decline ahead of U.S. data expected to show healthy fuel stocks. U.S. light crude for October delivery rose 33 cents to \$67.83 a barrel after hitting an intraday low of \$67.41, the weakest since April 10 and one cent below the 200-day moving average, a key support indicator for speculators. ("Oil touches 5-month low," *CNN Money*, 9-7-06)

Lawmakers chastise BP over lax maintenance of Alaska pipeline. BP executives received stern warnings Thursday from members of Congress outraged at the company's admittedly deficient maintenance of Alaskan oil pipelines. The executives apologized and pledged to fix operational lapses on the North Slope that led to the region's biggest oil spill in March and the partial shutdown last month of the country's largest oil field. Lawmakers said BP's mistakes in Alaska — as well as its responsibility for a deadly refinery fire last summer — were particularly unacceptable given the industry's record profits and the relatively inexpensive measures that might have prevented the oil spill. ("Lawmakers chastise BP over lax maintenance of Alaska pipeline," *USA Today*, 9-7-06)

These are media summaries. Please consult the source directly to ensure the accuracy of the information presented. Underlined titles are links to online articles in their entirety.

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	09/06/06	08/30/06	08/23/06	08/16/06	Year Ago
Gasoline (State avg.)	2.504	2.626	2.743	2.861	2.949
Ashland	2.556	2.698	2.813	2.890	2.910
Covington	2.570	2.669	2.788	2.913	2.913
Lexington	2.367	2.504	2.649	2.802	2.890
Louisville	2.467	2.601	2.711	2.877	2.904
Owensboro	2.519	2.570	2.719	2.840	3.048
Diesel (State avg.)	2.878	2.930	2.935	2.962	2.802
Ashland	2.896	2.912	2.938	2.966	2.738
Covington	2.921	2.954	2.945	2.972	2.749
Lexington	2.902	2.945	2.950	2.984	2.770
Louisville	2.910	2.945	2.964	2.972	2.744
Owensboro	2.911	2.905	2.910	2.883	2.929

Note: The record high average price for gasoline in Kentucky is \$3.049 and occurred on Sept. 3, 2005.

Source: Gasoline (unleaded regular) & Diesel: National AAA, <http://www.fuelgaugereport.com/KYavg.asp>

Wholesale Fuel Prices

Spot Prices	09/06/06	08/30/06	08/23/06	08/16/06	Year Ago
Crude Oil (Dollars per barrel)	68.60	70.04	71.42	71.90	65.97
West Texas Intermediate, fob					
Natural Gas (Dollars per MMBtu)	5.485	6.390	6.100	7.010	11.59
Henry-Hub					

Source: Oilenergy.com

Futures		Oct-06	Nov-06	Dec-06
Crude Oil (Dollars per barrel)	09/06/06	67.50	68.70	69.60
Light Sweet Crude Oil	08/30/06	70.03	71.09	-
	08/23/06	-	71.76	-
Natural Gas (Dollars per MMBtu)	09/06/06	5.994	8.019	9.939
Henry-Hub	08/30/06	6.290	8.260	-
	08/23/06	7.006	9.006	-
Propane (Cents per gallon)	09/06/06	110.25	111.25	112.25
	08/30/06	112.00	113.00	-
	08/23/06	113.50	114.50	-
Coal (Dollars per ton)	09/01/06	47.00	-	-
Central Appalachian	08/28/06	47.00	-	-
	08/21/06	46.50	-	-

Source: [NYMEX closing price](#) and [EIA Coal Futures](#)

For more information, contact John Davies, Kentucky Office of Energy Policy:

Phone: (502)564-7192 or (800)282-0868 Fax: (502) 564-7484 E-mail: John.Davies@ky.gov Internet: www.energy.ky.gov

The Commerce Cabinet does not discriminate on the basis of race, color, national origin, sex, age, religion or disability and provides, on request, reasonable accommodations including auxiliary aids and services necessary to afford an individual with a disability an equal opportunity to participate in all services, programs and activities. To request materials in an alternative format, call the Office of Energy Policy at (800) 282-0868. Persons with hearing and speech impairments can contact the agency by using the Kentucky Relay Service, a toll-free telecommunication device for the deaf (TDD). For voice to TDD, call (800) 648-6057. For TDD to voice, call (800) 648-6056.

